

AMENDED IN ASSEMBLY APRIL 24, 2014

AMENDED IN ASSEMBLY APRIL 9, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

## ASSEMBLY BILL

**No. 1434**

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**Introduced by Assembly Member Yamada**

January 6, 2014

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An act to add Section 12092 to the Government Code, relating to low-income water assistance.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1434, as amended, Yamada. Low-Income Water Rate Assistance Program.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including water corporations, as defined. Existing law authorizes the commission to fix the rates and charges for every public utility, and requires that those rates and charges be just and reasonable. Existing law requires the Public Utilities Commission to consider, and authorizes the commission to implement, programs to provide rate relief for low-income ratepayers of a water corporation.

Existing law establishes the Department of Community Services and Development in state government and vests with the department various powers and authority regarding the implementation and administration of programs to assist low-income individuals in the state.

This bill would require the department, no later than January 1, 2016, in collaboration with the State Board of Equalization *and relevant stakeholders*, to develop a plan for the funding and implementation of the Low-Income Water Rate Assistance ~~Program, including Program,~~ *which includes* specified elements. The bill would require the

department, no later than January 1, 2017, *provided a funding source has been identified and the moneys have been appropriated*, to establish the program to require water service providers to provide water bill discounts and subsidies ~~for~~ to eligible low-income residential water ratepayers who enroll in the program, in accordance with prescribed requirements. The bill would create the Low-Income Water Rate Assistance Fund in the State Treasury, and would authorize the department, upon appropriation by the Legislature, to expend moneys deposited in the fund for the purposes of the program. The bill would require the department, no later than January 1, 2016, to report to the Legislature on its findings regarding the feasibility and desired structure of the program to be implemented pursuant to the bill, including any recommendations for additional legislative action that may need to be taken to ensure the successful implementation of the program.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 12092 is added to the Government Code,
- 2 to read:
- 3 12092. (a) This section shall be known, and may be cited, as
- 4 the Low-Income Water Rate Assistance Act.
- 5 (b) No later than January 1, 2016, the department, in
- 6 collaboration with the board *and relevant stakeholders*, shall
- 7 develop a plan for the funding and implementation of the
- 8 Low-Income Water Rate Assistance Program, which shall include
- 9 all of the following elements:
- 10 (1) A description of the method for collecting ~~funds~~ *moneys* to
- 11 support and implement the program.
- 12 (2) A description of the mechanism for providing funding
- 13 assistance under the program through either direct credits to
- 14 enrollees in the program or reimbursements to water service
- 15 providers.
- 16 (3) A description of the method to be used to determine the
- 17 amount of ~~funds~~ *moneys* that may need to be collected from water
- 18 ratepayers to fund the program. This section does not authorize
- 19 the imposition of a state charge to fund the program.
- 20 (c) (1) No later than January 1, 2017, *and provided a funding*
- 21 *source has been identified and the moneys have been appropriated*,

1 the department shall establish the program, which shall require  
2 water service providers in the state to provide discounts or subsidies  
3 for eligible low-income residential water ratepayers who enroll in  
4 the program.

5 (2) The department may require documentation, including tax  
6 documents, pay stubs, wage statements, or other documents  
7 providing proof of income, of an enrollee's eligibility for the  
8 program.

9 (d) The program required to be developed pursuant to this  
10 section shall ensure all of the following:

11 (1) A water discount or subsidy not exceeding 20 percent of an  
12 enrollee's total water bill, or sixty dollars (\$60) per month,  
13 whichever is less, shall be made available per billing period to an  
14 eligible enrollee in the program for residential water service  
15 provided by a water service provider.

16 (2) A water ratepayer who is enrolled in the program may  
17 receive assistance in the form of a discount or credit based on water  
18 usage and the total amount of the enrollee's most recent water bill.

19 (e) The Low-Income Water Rate Assistance Fund is hereby  
20 created in the State Treasury. Moneys deposited in the fund may  
21 be expended by the department, upon appropriation by the  
22 Legislature, for the purposes of the program.

23 (f) No later than January 1, 2016, the department shall report  
24 to the Legislature on its findings regarding the feasibility and  
25 desired structure of the program to be implemented pursuant to  
26 this section, including any recommendations for additional  
27 legislative action that may need to be taken to ensure the successful  
28 implementation of the program.

29 (g) For purposes of this section, the following terms ~~shall~~ have  
30 the following meanings:

31 (1) "Board" means the State Board of Equalization.

32 (2) "Department" means the Department of Community Services  
33 and Development.

34 (3) "Fund" means the Low-Income Water Rate Assistance Fund.

35 (4) "Low-income" means a household with income that is equal  
36 to or no greater than 200 percent of the federal poverty guideline  
37 level. For one-person households, program eligibility shall be  
38 based on two-person household guideline levels.

39 (5) "Program" means the Low-Income Water Rate Assistance  
40 Program.

- 1     (6) “Water service provider” means a water corporation, public
- 2     utility district, or other entity that provides water service to
- 3     residential water customers in the state.